OO RUEHCHI RUEHCN RUEHDT RUEHHM DE RUEHJA #2004/01 3041025 ZNY CCCCC ZZH O 301025Z OCT 08 FM AMEMBASSY JAKARTA TO RUEHC/SECSTATE WASHDC IMMEDIATE 0476 INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS PRIORITY RUEHUL/AMEMBASSY SEOUL 5068 RUEHNE/AMEMBASSY NEW DELHI 2371 RUEHKO/AMEMBASSY TOKYO 2666 RUEHBJ/AMEMBASSY BEIJING 5551 RUEHKA/AMEMBASSY DHAKA 1382 RUEHLM/AMEMBASSY COLOMBO 1408 RUEHPB/AMEMBASSY PORT MORESBY 4063 RUEHWL/AMEMBASSY WELLINGTON 3208 RUEHBY/AMEMBASSY CANBERRA 3221 RUEHBAD/AMCONSUL PERTH 1235 RUEHHK/AMCONSUL HONG KONG 3063 RHHJJPI/USPACOM HONOLULU HI RUEAIIA/CIA WASHDC RHEHNSC/NSC WASHDC RHEFDIA/DIA WASHINGTON DC

C O N F I D E N T I A L SECTION 01 OF 02 JAKARTA 002004

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DEPT FOR EAP, EAP/MTS, EAP/MLS, EAP/RSP NSC FOR E.PHU

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TAGS: PGOV KDEM ID

SUBJECT: INDONESIAN PARLIAMENT PASSES IMPORTANT

PRESIDENTIAL ELECTION BILL

REF: JAKARTA 1995 AND PREVIOUS

JAKARTA 00002004 001.2 OF 002

Classified By: Pol/C Joseph L. Novak, reasons 1.4(b+d).

- 11. (C) SUMMARY: The Indonesian Parliament (DPR) passed on October 30 a key presidential election bill for the 2009 elections. The bill concerned the minimum threshold for the nomination of a presidential candidate based on the results of the April 2009 legislative elections.
- 12. (C) SUMMARY (Con'd): The passage of the bill was a victory for big parties Golkar and the Indonesia Democratic Party of Struggle (PDI-P). Smaller parties opposed the measure, feeling that it will be tougher for them to nominate a candidate. The legislation is likely to result in only three candidates for president. The bill puts some pressure on President Yudhoyono and his party, which is relatively small, to work hard for allies in order to nominate him. END SUMMARY.

A BILL IS PASSED

13. (C) Much heated debate and media attention centered recently on the fate of a presidential bill which would stipulate the minimum required threshold for the nomination of a presidential candidate. The DPR was poised to vote on the contentious and unresolved issue in a plenary session on October 30 but the ten Parliamentary factions came to a last minute agreement in a committee meeting late the night before the vote, thus avoiding a potentially divisive session. The final bill stipulated that in order to nominate a presidential candidate, a party or coalition of parties must win 20 percent of the House seats or 25 percent of the national vote in the upcoming legislative elections. The President still needs to sign the bill, but has indicated that he will do so.

¶4. (SBU) At the core of the debate was the issue of power sharing. Party behemoths Golkar and PDI-P wanted a 30 percent minimum threshold of the national vote so that they would not have to share as much power with smaller parties. Parties such as the National Mandate Party (PAN) and President Yudhoyono's Democratic Party (PD) (which only won 7 percent of the national vote in the 2004 elections and currently holds 10 percent of the House seats) wanted the threshold to be 15 percent so that they would have a fighting chance to field their own presidential candidates without scrambling to join a coalition.

A PROBLEM FOR THE PRESIDENT?

- 15. (C) According to Mission sources, the decision on a relatively high national voting threshold of 25 percent or 20 percent of House seats will likely have the greatest impact on President Yudhoyono's run for the presidency. His party, Democrat Party (PD), is small and he is highly dependent on his coalition partners. Analysts and Mission sources point to this as a sign of weakness which is reflected in his choice of some Cabinet members who are party representatives rather than professionals.
- 16. (C) Pol/C and poloff met October 30 with Yuddy Chrisnandi, an MP who has been officially announced as one of Golkar's ten possible presidential candidates should they decide to nominate one. Chrisnandi told us that the compromise on the bill was only reached after Vice President Kalla assured President Yudhoyono that he would have Golkar's continued support to reach the 25 percent threshold. This bill may thus force Yudhoyono to rely on Golkar, the largest party, as a coalition partner in his quest for nomination.

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He has already indicated that he may run again with Vice President and Golkar Chair Kalla but may run into trouble if Golkar decides to nominate its own presidential candidate. Yudhoyono would then be forced to cobble together a fractious coalition of smaller parties to meet the threshhold.

17. (C) Golkar, the dominant party in the Suharto era, now seems to have the political advantage again. On the other hand, Golkar at this point has no strong candidates so also depends on Yudhoyono to maintain its share of power.

A SMALL POOL

18. (C) The new bill also seems to narrow the presidential field significantly, restricting it realistically to those who can get sufficient support to meet the required threshold. Unlike 2004, there is likely to be only three candidates: Yudhoyono; former president Megawati; and, one other candidate from among the basket containing the Sultan of Yogyakarta Hamengkubuwono X; retired General Wiranto, Hanura Party; or retired General Prabowo, Gerindera Party. With this contentious issue behind them, the Indonesian public can now focus on the eagerly awaited April 2009 legislative elections which will determine the final playing field for the presidential race.

HUME